GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1848
ANSWERED ON:13.03.2007
INVESTMENT OF FOREIGN COUNTRIES
Saradgi Shri Iqbal Ahmed

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether foreign companies investing in India are likely to be reviewed periodically by the Government if they pose a security threat;

(b) if so, the details thereof; and

(c) to what extent they have been implemented ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (c): All aspects of National security are of paramount concern of the Government and suitable action where required is always taken. Policy on Foreign Direct Investment (FDI) is incorporated in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified under the Foreign Exchange Management Act, 1999. Any violation by a company with foreign equity of the provisions of the Act, or rules / regulations / notification / order issued in exercise of the powers under the Act, is dealt with under the provisions of this Act.